

CA DEPARTMENT OF WATER RESOURCES

**Updated Informative Digest
(2nd 15 day Comment Period)**

TITLE 23. WATERS
DIVISION 2. DEPARTMENT OF WATER RESOURCES
CHAPTER 7. WATER LOSS AUDITS AND WATER LOSS CONTROL
REPORTING

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Updated Informative Digest

The purpose of this Updated Informative Digest is to explain the changes to the proposed regulations originally circulated on March 3, 2017, recirculated on May 18, 2017 and now circulated with changes on June 16, 2017. Changes to the proposed regulations since the May 18 circulation are indicated in double strikeout (~~strikeout~~) and red dotted underline. All other text and changes were performed during the previous public circulations. The latest changes are being circulated for comments from the public and interested parties. Below the text of the changed language is the 'Reason for Change.' This explains the rationale that resulted in the newly proposed language.

Please limit comments to the newly proposed changes in language. **Please comment by July 3, 2017.**

Section 700

Subsection 700 (c) is changed as follows:

(c) The Department will update these regulations within six months after an AWWA's issuance of a new edition update of its the AWWA's Water Audits and Loss Control Programs, Manual M36 (e.g., after the fifth edition release) or upon an AWWA next generation update of its related Free Audit Software (e.g., after the version 6.0 release).

Reason for Change: The Department changed this to comply with the statute and eliminate confusion regarding the AWWA Free Water Audit Software. The AWWA Free Water Audit Software conforms to Chapter 3 of the American Water Works Association Water Audits and Loss Control Programs, Manual of Water Supply Practices – M36, Water Audits and Loss Control Programs, 4th Edition. As such, when the manual is updated, the associated software will reflect any updates to the software.

Section 700.1

Subsection 700.1(b) is changed as follows:

(b) "Authorized consumption" means the volume of water taken by registered customers, the water supplier, and others who are implicitly or explicitly authorized to do so. by the water supplier for residential, commercial, industrial, or agricultural purposes. In the AWWA Free Water Audit Software, this category

~~of components does not include water supplied to neighboring water utilities (water exported), which is instead included in the water supplied volume component. Authorized consumption does include water consumed in such activities as firefighting and training, flushing of mains and sewers, street cleaning, watering of municipal gardens, public fountains, frost protection, building water, and so forth. Authorized consumption may be billed or unbilled, metered or unmetered.~~

Reason for Change: The department changed this definition to remove unnecessary specificity and simplify it to include only what is needed to define this term. Doing this removes the potential for misinterpretation and confusion, as noted in comments. Also, the language on water exported to other utilities is sometime water billed, which can be part of authorized consumption and was removed for that reason, as noted in comments.

Subsection 700.1(e) is added as follows:

~~(d)~~ (e) "Data grading values" means specific grade scores (on a scale from 1 to 10) for the level of confidence in each input component in the AWWA Free Water Audit Software spreadsheet.

Reason for Change: The Department added this new definition and included it in the regulation to match the terms contained in the AWWA methodology.

Subsection 700.1(f) is changed as follows:

~~(e)~~ (f) "Data Validity Score (DVS)" means a measure of the overall trustworthiness of the data entered in the AWWA Free Water Audit Software (Audit Software). The DVS represents the validity of the water audit data and is a reflection of the level of best practices employed by the water supplier associated with the water supply system subject to the audit. water utility urban retail water supplier.

Reason for Change: The Department made changes to this definition capture the term as it applies to the American Water Works Association methodology, Manual M36. The urban retail water supplier is potentially not the only water supplier whose best practices affect the DVS.

Section 700.3

Subsection 700.3(b)(2)(D) is changed as follows:

~~(D)~~ The documentation of the customer meter derivations, including and supply meter accuracy testing and calibration.

Reason for Change: The Department revised this subsection to remove unnecessary reporting of little value and align the regulations with the AWWA methodology.

Subsection 700.3(b)(4) is changed as follows:

(4) A review of audit inputs and ~~data validity grades~~ DVS data grading values to confirm a correct application of methodology, and follow-up reviews (if indicated).

Reason for Change: The Department made the change to more closely match the terminology contained in the Manual M36, now that the definition of “data grading values” has been added to the regulations.

Subsection 700.3(b)(5)(C) is added as follows:

(C) Any recommended changes to the water audit inputs by the water audit validator that were not accepted by the urban retail water supplier and the rationale for not accepting the recommendations.

Reason for Change: The Department made this addition because this information provides value in characterizing the process utilized and decisions made in developing the submitted Report.

Section 700.5

Subsection 700.5(a)(2) is changed as follows:

(2) For utilities that prefer to provide Reports on a fiscal year basis that is not on the calendar year, the first reporting period shall be for their fiscal year 2015-16 or 2016-2017, fiscal year 2016-17 and annually thereafter.

Reason for Change: The Department made this change to be consistent with the statute, since it requires previous year water loss Report submission by urban retail water suppliers.

Subsection 700.5(a)(3) is deleted as follows:

~~(3) For the fiscal portions of the Report, utilities may use the previous year's fiscal information.~~

Reason for Change: The Department deleted the subsection to make the regulations more consistent with the M36.

Subsection 700.5(b)(2) was added as follows:

(2) In 2017, information identifying steps taken by the urban retail water supplier in the previous year to increase the validity of data entered into the final audit, reduce the volume of apparent losses, and reduce the volume of real losses, as informed by the annual validated water audit.

Reason for Change: The Department made this addition because the delays in establishing this rulemaking leaves very little time to prepare a report identifying steps

taken by the urban retail water supplier for the previous three year's. As such, the previous year is sufficient for the coming Report submission.

Subsection 700.5(b)(3) was revised as follows:

(1) ~~Beginning in 2018,~~ Beginning in 2018, information identifying steps taken by the urban retail water supplier in the preceding 3 years to increase the validity of data entered into the final audit, reduce the volume of apparent losses, and ~~or~~ reduce the volume of real losses, as informed by the annual validated water audit.

Reason for Change: The Department made this change because the urban retail water suppliers will have enough lead time to prepare a Report for the previous three year's steps to increase the validity of data entered into the final audit, reduce the volume of apparent losses, and reduce the volume of real losses. The "or" in this subsection was removed to eliminate the option to report steps or not report steps.

Subsection 700.5(c) was changed as follows:

(b) In the case of urban retail water suppliers with two or more separate public potable water systems, the urban retail water supplier shall submit a either separate worksheets AWWA Free Water Audit Software spreadsheet worksheets meeting the requirements in Section 700.5(b)(1) for each potable water system or a combined set of spreadsheet worksheets for its potable water systems.

Reason for Change: The Department made this change to align better with the AWWA methodology.

Section 700.6

Subsection 700.6(a)(2) was changed as follows:

(2) ~~I~~ the data and data grading values, data grading scores DVS in the audit sheet indicate that the system is operating in a manner that is congruent with known characteristics of potable water system operations. To evaluate congruency, the Department may consider the presence and significance of any of the following conditions:

- (A.) The real losses are less than 0.0.
- (B.) The cost of the non-revenue water is greater than 100% of operating costs.

Reason for Change: The Department made the change to more closely match the terminology contained in the Manual M36, now that the definition of "data grading values" has been added to the regulations.

